

Morning Brief

Daily | Feb. 24, 2022

Today's Outlook:

Government Bonds

SUN Benchmark Mixed Amid Rupiah Volatility. Previously, the depreciation of the rupiah exchange rate due to tensions between Russia and Ukraine, made market players interested in the safe haven of the United States (US) dollar compared to the exchange rates of emerging market countries. This was influenced by the decision of US President Joe Biden, announcing sanctions against Russia. The US is targeting Russian financial institutions after President Vladimir Putin recognized the sovereignty of several regions in Eastern Ukraine.

Corporate Bonds

PP Properti Pays Off Matured Bonds Payable. PT PP Properti Tbk (PPRO) has repaid its bonds debt worth IDR 1.1 trillion which will mature in February 2022. The bonds consist of Shelf-Registered Bonds II Phase II of 2021 worth IDR 300 billion maturing on 15 February 2022, and Shelf-Registered Bonds I Phase II Year 2019 worth IDR 800 billion which will mature on February 22, 2022. (Liputan6.com)

Domestic Issue

Economic Liquidity Declines in Early 2022. Bank Indonesia (BI) noted, M2 in January 2022 was IDR 7,643.4 trillion, down from IDR 7,867.1 trillion in December 2021. With this nominal, M2 was observed to grow 12.9% YoY, lower than the previous month's growth of 13.9% YoY. This slowdown in growth is in line with the return to normal community activities after Christmas and New Year. (Kontan)

Recommendation

Investors Watching US Sanctions on Russia. Market participants responded to US President Joe Biden's decision to target the Russian sovereign debt market, as harsh sanctions for the initial invasion of Ukraine. Investors with ties to the US are not allowed to buy Russia's newly-traded sovereign debt from March 1. This sent the price of Russian euro bonds maturing in 2028 down to their lowest level since 2015. Meanwhile, US Treasury bonds rose 50 bps, according to the JPMorgan Chase & Co index.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	5.02%	3.51%
FX Reserve (USD bn)	141.30	144.90	Current Acc (USD bn)	1.40	4.97
Trd Balance (USD bn)	0.93	1.02	Govt. Spending Yoy	5.25%	0.62%
Exports Yoy	25.31%	35.30%	FDI (USD bn)	3.59	4.70
Imports Yoy	36.77%	47.93%	Business Confidence	104.82	105.33
Inflation Yoy	2.18%	1.87%	Cons. Confidence*	119.60	118.30

PRICE OF BENCHMARK SERIES

FR0090	: +1.1 Bps to 99.10 (5.32%)
FR0091	: -0.3 Bps to 99.16 (6.48%)
FR0093	: -0.2 Bps to 99.04 (6.47%)
FR0092	: -0.4 Bps to 102.49 (6.89%)
FR0086	: -0.5 Bps to 100.88 (5.25%)
FR0087	: -0.6 Bps to 100.24 (6.46%)
FR0083	: +0.0 Bps to 105.32 (6.97%)
FR0088	: +0.1 Bps to 99.25 (6.32%)

CDS of Indonesia Bonds

CDS 2yr	: -0.87% to 37.40
CDS 5yr	: -2.35% to 98.74
CDS 10yr	: -0.84% to 172.20

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.50%	-0.01%
USDIDR	14,338	-0.19%
KRWIDR	12.01	-0.28%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,131.76	(464.85)	-1.38%
S&P 500	4,225.50	(79.26)	-1.84%
FTSE 100	7,498.18	3.97	0.05%
DAX	14,631.36	(61.64)	-0.42%
Nikkei	26,449.61	0.00	0.00%
Hang Seng	23,660.28	140.28	0.60%
Shanghai	3,489.15	32.00	0.93%
KOSPI	2,719.53	12.74	0.47%
EIDO	24.11	0.13	0.54%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,909.0	10.4	0.55%
Crude Oil (\$/bbl)	92.10	0.19	0.21%
Coal (\$/ton)	237.70	1.45	0.61%
Nickel LME (\$/MT)	24,850	292.50	1.19%
Tin LME (\$/MT)	44,383	231.00	0.52%
CPO (MYR/Ton)	5,982	142.0	2.43%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	ID	10:00	BoP Current Account Balance	4Q21	USD1,400Mn	USD1,770Mn	USD4,970Mn
<i>18 - Feb.</i>	US	22:00	Existing Home Sales	Jan.	6.50Mn	6.10Mn	6.18Mn
	US	22:00	Existing Home Sales MoM	Jan.	6.7%	-1.3%	-3.8%
	US	22:00	Leading Index	Jan.	-0.3%	0.2%	0.8%
Monday	GE	14:00	PPI YoY	Jan.	25.0%	24.4%	24.2%
<i>21 - Feb.</i>	GE	14:00	PPI MoM	Jan.	2.2%	1.5%	5.0%
	EC	16:00	Markit Eurozone Manufacturing PMI	Feb.	58.4	58.7	58.7
	UK	16:30	Markit UK Manufacturing PMI	Feb.	57.3	57.0	57.3
Tuesday	GE	16:00	IFO Business Climate	Feb.	98.9	96.5	96.0
<i>22 - Feb.</i>	GE	16:00	IFO Expectations	Feb.	99.2	96.2	95.8
	US	21:45	Markit US Manufacturing PMI	Feb.	57.5	56.0	55.5
Wednesday	EC	17:00	CPI YoY	Jan.	5.1%	5.1%	5.0%
<i>23 - Feb.</i>	EC	17:00	CPI MoM	Jan.	0.3%	0.3%	0.3%
	US	19:00	MBA Mortgage Applications	Feb.	-13.1%	--	-5.4%
Thursday	US	20:30	Initial Jobless Claims	Feb.		--	248k
<i>24 - Feb.</i>	US	20:30	GDP Annualized QoQ	4Q21		7.0%	6.9%
	US	22:00	New Home Sales	Jan.		810k	811k
Friday	US	20:30	Personal Income	Jan.		-0.3%	0.3%
<i>25 - Feb.</i>	US	20:30	Personal Spending	Jan.		1.2%	-0.6%
	US	20:30	Durable Goods Orders	Jan.		0.6%	-0.7%
	US	22:00	U. of Mich. Sentiment	Feb.		61.7	61.7

Source: Bloomberg

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